

Capital: Moscow
Population: 144 million (2004 est.)
GDP (current US\$): \$432.9 billion (2003)
GDP per capita (current US\$): \$2,320 (2003)
GDP per capita (purchasing power parity): \$8,900 (2003)
Population below the poverty line: 21% (2003)
Religion: Russian Orthodox, Islam, Judaism, Roman Catholicism, Protestant, Buddhist, others
Language: Russian, plus 140 other languages and dialects
President: Vladimir Putin
Prime Minister: Mikhail Fradkov
Ambassador to US: Yuriy Ushakov



National Interest: Spanning a vast area from Europe to the Far East, Arctic to Central Asia, Russia is among the world's richest repositories of energy and other natural resources. As a U.S. strategic partner on issues ranging from disarmament and anti-terrorism to space cooperation and oil/gas exploration, Russia's successful transition to a democratic society and market economy is key to U.S. national and security interests. A stable, secure Russia will be a stronger partner on geopolitical and transnational issues. The country has made strides in destroying its nuclear arsenal, is moving towards integration into the international community, and has the ability to exert increased influence on evolving world economic patterns, political alignments, and regional conflicts. Russia is a major player in Eurasia; its political and economic transition is pivotal to the transition of its neighboring countries. The U.S. is the largest bilateral donor to Russia, and USAID is providing financial and technical assistance to promote economic growth, strengthen democratic institutions, and address critical health and social issues. The U.S., in partnership with the international community, has an interest in ensuring Russia's effective response to issues of global importance including human health concerns such as the HIV/AIDS pandemic and environmental management.

Overview of USAID's Focus in Russia: FY05 (from the Congressional Budget Justification) USAID Total - \$72 million

Democracy and Civil Society (FY05 \$28.9M, 40%): USAID programs support independent print and broadcast media, promote judicial reform and civic education, and strengthen human rights organizations. Regional and local level programs increase public participation in economic and political decision-making, strengthen electoral processes to institutionalize open and free elections, and enhance community development. Democracy programs encourage volunteerism and civic responsibility through support to a wide variety of non-governmental organizations. One goal of this assistance is to promote effective dialogue between citizens and government in order to reflect a diversity of viewpoints in the policy-making process.

Health (FY05 \$22.8M, 32%): The USAID health program provides the necessary support required to improve the quality of primary healthcare, particularly healthcare services for women and infants. Child welfare activities reduce the number of children sent to orphanages and institutions. Activities that reduce and control the rapid growth of HIV/AIDS and vaccine-resistant tuberculosis are a high priority. USAID's ongoing assistance increases the use of best practices in health care through a range of partnerships and disseminates and replicates healthcare models developed specifically for Russia over the past decade.

Economic Development (FY05 \$8.5M, 12%): Although Russia's economy has greatly improved over the past decade, small and medium-sized enterprises (SMEs) still make up only 12% of GDP compared to 50-70% in Europe and the U.S. USAID provides economic assistance to SMEs through development credit assistance, mortgage lending, and non-bank finance programs while building institutional capacity with an eye to future self sustenance. USAID also supports economic think tanks that research fiscal, banking, and trade issues and advise Russian policy-makers. The U.S. government's assistance budget for economic development programs in Russia is scheduled for phasing down over the next several years.

Cross-Cutting Programs (FY05 \$11.8M, 16%): USAID implements an array of activities that cannot be attributed solely to one sector. These activities give USAID the flexibility to respond quickly to changing needs, to finance activities that cut across multiple objectives, to enhance the linkage between programs, and to support analysis and strategic planning. USAID focuses on regional geographic areas such as the Russian Far East in order to foster partnerships with regional NGOs and to disseminate best practices and successful models to the regions more effectively. As part of these cross-cutting programs, USAID-supported, grant-making organizations, such as the New Eurasia Foundation, provide grants to support economic development and NGO initiatives.

USAID/Russia: Terry Myers, Mission Director (011-7-095-728-5282) Novinsky Blvd. 19/23, Moscow 121099

USAID/Washington: Laura Libanati (202-712-0177) & Elizabeth Roen (202-712-1493), Russia Desk

USAID/Russia website address: www.usaid.ru/